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Paper No. 29  
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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

XTRA Corporation  
v.  
U-Haul International, Inc.

Cancellation No. 92028499

Thomas V. Smurzynski of Lahive & Cockfield, LLP for XTRA Corporation.

Rod S. Berman, Elizabeth Barrowman Gibson and Steven Plotkin of Jeffer, Mangels, Butler & Marmaro for U-Haul International, Inc.

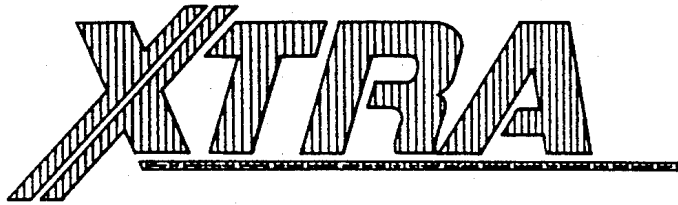
Before Cissel, Bucher and Rogers, Administrative Trademark Judges.

Opinion by Rogers, Administrative Trademark Judge:

XTRA Corporation ("petitioner") has petitioned to cancel the registration of U-Haul International, Inc. ("respondent") for the mark XTRAILER, registered for goods and services identified as "trucks and trailers," in International Class 12, and for "truck and trailer rental services," in International Class 39.<sup>1</sup>

<sup>1</sup> Registration No. 2,207,626, issued December 1, 1998, claiming November 16, 1996 as both the date of first use and date of first use in commerce.

Respondent has counterclaimed for cancellation of petitioner's registration for the mark set forth below, registered for "leasing of truck trailers, chassis, transportable containers, railcars, storage trailers, and office trailers; and railcar management services," in International Class 39. A description of the mark reads, "The words in the drawing are lined for the color red/maroon and the underlining is lined for the color yellow."



Respondent failed, however, to take any testimony or introduce any other evidence in support of its counterclaim; and petitioner did not admit any allegations of respondent's counterclaim that would allow respondent to meet its burden of proof as plaintiff in the counterclaim without submission of evidence. Accordingly, we dismiss the counterclaim and have only petitioner's petition to consider.

In pertinent part, petitioner alleges that it "is in the business of leasing freight transportation equipment, including over-the-road trailers, marine containers, intermodal trailers, chassis and domestic containers,

throughout the United States, under the service mark, and trade name, XTRA"; that it owns six valid and subsisting registrations for various XTRA marks; that it and its predecessors "have actively and continuously used" these marks and the XTRA trade name in commerce in connection with its leasing services, since long before any use of XTRAILER by respondent, or before the filing date of the application that resulted in issuance of the XTRAILER registration; that petitioner's marks and respondent's mark so resemble each other that there is a likelihood of confusion among consumers; that when respondent filed its statement of use for the application which resulted in issuance of respondent's registration, respondent "was not using the mark in commerce on the goods and services of the application in accordance with the definition of 'use in commerce' set out in 15 U.S.C. § 1127"; and that petitioner will be damaged by continued registration of respondent's mark.

Respondent did not admit any of petitioner's allegations, so petitioner was left to prove its claims. Respondent asserted certain pro forma affirmative defenses but, having introduced no evidence at all, did not support them; so they require no consideration.

At trial, petitioner filed a notice of reliance on its six pleaded registrations, and on respondent's responses and

supplemental responses to interrogatories and requests for admissions. Status and title copies of the pleaded registrations were included; but it does not appear that copies of all the recited discovery responses were included. Petitioner, however, filed copies of all the materials referenced in its notice of reliance when it filed its brief. Accordingly, we have copies of all the discovery responses.

In regard to petitioner's claim under Section 2(d) of the Lanham Act, 15 U.S.C. §1052(d), we note that petitioner has established its priority because it made status and title copies of its pleaded registrations of record and respondent did not offer any countervailing evidence. Specifically, respondent has not proven any actual use of its mark prior to any of the filing dates for the applications that resulted in petitioner's registrations. In a cancellation proceeding that involves parties that both own registrations, the parties essentially are considered "equal" in terms of priority; but each of petitioner's registrations issued based on applications with filing dates well before the filing date of the application that resulted in issuance of respondent's registration. Thus, to have prevailed on the issue of priority respondent would have had to make evidence of record proving actual use of its mark prior to any of petitioner's filing dates. Respondent

having failed to do so, petitioner prevails on the issue of priority. *Brewski Beer Co. v. Brewski Brothers Inc.*, 47 USPQ2d 1281, 1283-84 (TTAB 1998); *Hilson Research Inc. v. Society for Human Resource Management*, 27 USPQ2d 1423, 1428-29 n. 13 (TTAB 1993); and *American Standard Inc. v. AQM Corporation*, 208 USPQ 840, 841 (TTAB 1980).

Turning to the question of likelihood of confusion and, more specifically, the question whether petitioner's marks and respondent's mark are similar, petitioner acknowledges that the ending of respondent's mark is "TRAILER" but asks "in a market where the mark is applied to 'trailers,' why wouldn't a customer think XTRAILER was a blend of XTRA and TRAILER?" Our conclusion is that customers would not perceive respondent's mark to constitute such a blending but, rather, would see it as a combination of X and TRAILER. We note, in this regard, the specimens of use in respondent's registration, which show respondent's mark as combining a larger X that has the look of having been created by two strokes with a paintbrush, followed by a smaller presentation of the word "trailer" in plain sans serif type.

When a mark is registered in typed form, we must consider that it may be displayed when in actual use in any reasonable manner of display, for that is the essence of the protection the registrant obtains by registering a mark in

typed form. We would not, however, assume a display of XTRAILER that set forth the first four letters in a different format from the remainder, thus rendering respondent's mark visually more similar to petitioner's marks, to be a reasonable form of display. Thus, in considering the similarity of respondent's mark and petitioner's marks, we do not consider reasonable forms of display of respondent's mark as looking similar to petitioner's XTRA marks.<sup>2</sup>

As to the sounds of the involved marks, XTRA is likely to be pronounced as the phonetic equivalent of the word "extra" and XTRAILER is likely to be pronounced as "x-trailer," i.e., the marks are likely to be pronounced differently. The connotations of the marks are, on the one hand, that customers of petitioner will obtain something extra or additional beyond what otherwise might have been expected and, on the other hand, that customers of respondent will obtain goods, or services utilizing goods, that involve trailering and the X would be perceived as indicating a particular model, generation or type of product or service. To be sure, respondent's mark does not have the connotation of something extra or additional.

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<sup>2</sup> As to petitioner's XTRA trade name, petitioner put in no evidence showing use of the designation as a trade name and has relied solely on its registrations. Thus, we need not consider petitioner's Section 2(d) claim based on trade name use of XTRA.

In sum, we consider the involved marks dissimilar in sight, sound and meaning.

Because of the thin record in this case, we do not have any evidence regarding most of the *du Pont* factors, including the renown of petitioner's marks. As a result, our analysis of likelihood of confusion necessarily focuses on the involved marks, identifications of goods and services and, in the absence of restrictions therein as to channels of trade or classes of consumers, we must presume use by both petitioner and respondent of the same channels of trade and marketing to the same classes of consumers.

Notwithstanding that the identified goods and services are in part identical and otherwise related, and notwithstanding the parties' presumptive use of the same channels of trade and marketing to the same classes of consumers, we do not find any likelihood of mistake, confusion or deception of consumers. The marks are simply too dissimilar. *Kellogg Co. v. Pack'em Enterprises Inc.*, 951 F.2d 330, 21 USPQ2d 1142, 1145 (Fed. Cir. 1991).

We now turn to petitioner's alternative claim that respondent's registration should be cancelled because respondent did not make bona fide use of the registered mark in commerce for the goods and services identified in the registration. Specifically, petitioner argues that the record shows that respondent filed a statement of use

asserting that it had begun use of the mark on all the goods and services listed in the notice of allowance (which was all the goods and services identified in the application as filed); that respondent actually had not used the mark for the listed goods ("trucks and trailers") or for truck rental services; and that respondent's use of the mark for trailer rental services was not a bona fide use in the normal course of trade and was made only in an attempt to reserve rights in the XTRAILER mark.

As to the claim of no use whatsoever for trucks, trailers and truck rental services, we find that petitioner has met its burden of showing, by a preponderance of the evidence, that respondent had not used the mark for these goods and this service when respondent signed the statement of use. See *Martahus v. Video Duplication Services Inc.*, 3 F.3d 417, 27 USPQ2d 1846, 1850 (Fed. Cir. 1993); *Cerveceria Centroamericana S.A. v. Cerveceria India Inc.*, 892 F.2d 1021, 13 USPQ2d 1307, 1309 (Fed. Cir. 1989).

In particular, we note petitioner's interrogatory no. 1, which sought a statement of how respondent used its mark on or before the date of first use in commerce claimed in the statement of use for "(a) trucks, (b) trailers, (c) truck rental services, and (d) trailer rental services." In response, respondent stated only that it had "rented a trailer with the mark XTRAILER thereon to a member of the

public on November 16, 1996." We also note respondent's supplemental response to petitioner's interrogatory no. 4, by which response respondent states it had no revenue from the sale of trucks or from the sale of trailers, using the XTRAILER mark, in 1996, 1997 and 1998. Finally, we note respondent's initial response to petitioner's request for admission no. 3, by which respondent admits that it did not rent any trucks, using the mark XTRAILER, before July 22, 1998, and respondent's supplemental responses to petitioner's requests for admission no. 1 and no. 2, by which respondent admits that it did not sell any trucks or trailers, using the mark XTRAILER, before July 22, 1998.<sup>3</sup>

Respondent, had it filed a brief, might have argued that, despite its initial admission that it did not rent any trucks using the mark XTRAILER, it filed a supplemental response to petitioner's request for admission no. 3, whereby it denied that request. The argument, however, would be unavailing. Federal Rule 36(b) makes it clear that an admission (as opposed to a denial or response other than an admission) may be withdrawn or amended only on motion approved by the Board. Respondent never made such a motion, or any other request for leave to withdraw the express admission that it had not rented any trucks using the

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<sup>3</sup> Respondent's statement of use was signed July 22, 1998 and filed under cover of a certificate of mailing dated July 29, 1998.

XTRAILER mark, so as to substitute a denial for the admission. Thus, respondent's failure to rent any truck using the XTRAILER mark before the date of execution of the statement of use is conclusively established. See Fed. R. Civ. P. 36(b) and discussion of interplay between Federal Rules 26(e) and 36(b) in Wright, Miller and Marcus, Federal Practice & Procedure: Civil 2d §2664 (1994).

Respondent might also have argued--again, had it filed a brief--that the supplemental response was effectively provided pursuant to an instruction of the Board, because the Board ordered respondent to provide better discovery responses when it granted petitioner's motion for discovery under Fed. R. Civ. P. 56(f). That argument, too, would be unavailing. In granting petitioner a Rule 56(f) continuance and ordering additional discovery responses, the Board noted that many of respondent's initial responses were evasive and replete with unwarranted objections. Thus, it was the evasive responses which respondent was ordered to remedy. Respondent's evasive responses to requests for admission no. 1 and no. 2 certainly fell within the ambit of the Board order. In contrast, the admission in response to request for admission no. 3 certainly does not fall in the category of an evasive response, and respondent could not argue that it was effectively granted leave to withdraw the admission by the Board order granting petitioner's Rule 56(f) motion.

In sum, based on respondent's admissions, petitioner has proven that respondent did not make use of the XTRAILER mark for trucks, trailers, or truck rental services by the time respondent signed its statement of use. We are left, then, with the question whether petitioner has proven that respondent's use of the XTRAILER mark for trailer rental services constitutes nothing more than token use and was insufficient to support the filing of the statement of use.

In essence, petitioner argues that respondent marked a trailer with the XTRAILER mark, rented that trailer only once, on November 16, 1996, and has since carted that trailer from rental location to rental location but has not subsequently rented the trailer. To support this argument, petitioner notes that it propounded interrogatory no. 4, which sought respondent's statement of the revenue attributable to rental of the XTRAILER trailer in 1996, 1997 and 1998 (i.e., the year in which first use was allegedly made, the following year, and the year in which the statement of use was signed and filed); that respondent initially delayed responding because a protective order had not been signed; that respondent's supplemental response was that the amount had not yet been ascertained; and that respondent never provided the information. Accordingly, petitioner asserts, it is justified in concluding that there has been no revenue during those years attributable to

rental of a trailer bearing the XTRAILER mark. In addition, petitioner argues that, to the extent the XTRAILER trailer is put on display at various rental locations, it is a mark only for rental of that trailer and not for rental of other trailers at those rental locations. Specifically, petitioner argues in its brief that display of the XTRAILER trailer would not be considered use in the ordinary course of business to promote trailer rentals generally.

Petitioner does not apparently dispute respondent's contention (as stated in its response to interrogatory no. 1) that the XTRAILER trailer was rented at least once. It does not appear, however, that petitioner engaged in discovery necessary to discern the particulars of this transaction. Also, respondent's response to interrogatory no. 1 states that "[t]he XTRAILER trailer has been rented or on display continuously since November 16, 1996." It does not appear that petitioner engaged in any discovery to discern how much of the time the trailer is rented and how much of the time it is on display. Petitioner would have us draw an adverse inference from respondent's failure to provide revenue figures regarding rental income. However, petitioner never sought an order compelling a response and we decline to draw the inference petitioner seeks.

Petitioner is the plaintiff and must prove by a preponderance of the evidence its allegation that respondent

made only one token rental and no more. It has failed to meet its burden.<sup>4</sup>

Petitioner's other argument relating to asserted improper use of XTRAILER for trailer rental services implicitly acknowledges that respondent actually rents trailers; but petitioner argues that display of the XTRAILER trailer at facilities where respondent rents other trailers does not constitute a use of the mark in the ordinary course of business for a business offering trailer rental services. However, there is no evidence in the record on this point (i.e., what constitutes ordinary business practice in the trailer rental field) or, for that matter, any citation to factually analogous case law. Mere argument in one's brief is not sufficient to establish what is or is not the ordinary way of running a particular type of business.

In sum, the petition for cancellation is granted insofar as petitioner has proven no use in commerce as of the time of the statement of use for trucks, trailers and

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<sup>4</sup> If petitioner had proven that there was only one rental of the XTRAILER trailer, proof of that fact alone *might* not be sufficient to prove that the single rental was a token use intended only to reserve a right in a mark. For example, if the trailer was rented once and was subsequently available for rental, it *might* have been sufficient use of the mark to support issuance of the registration, even if there were no other rentals prior to filing of the statement of use. Of course, we need not determine the precise circumstances surrounding respondent's offering of its XTRAILER trailer for rental (nor could we on this sparse record), for this case involves not a requirement that respondent prove its registration issued based on proper use in commerce but, rather, a requirement that petitioner prove it did not.

truck rental services, but the petition is denied insofar as petitioner has not proven respondent made only token use in commerce of its mark for trailer rental services. The registration will be restricted by cancellation of the goods in International Class 12 and partial cancellation of the services in International Class 39.<sup>5</sup> See Section 18 of the Lanham Act, 15 U.S.C. §1068.

Decision: The petition for cancellation is granted in part and denied in part. The registration shall be appropriately restricted.

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<sup>5</sup> Specifically, the words "Truck and" will be stricken from the identification of "Truck and trailer rental services."